



MINUTES BOARD OF LIVESTOCK MEETING

Wednesday, January 13, 2010
Capital Building, Room 172, Helena, MT

BOARD MEMBERS PRESENT:

Jan French, Chair, cattle producer
Ed Waldner, swine producer
John Lehfeldt, sheep producer

Brett DeBruycker, cattle producer
Jeffery Lewis, dairy producer
Stan Boone, cattle producer

ABSENT:

Linda Nielsen, cattle producer

STAFF PRESENT:

Dan Turcotte, Milk & Egg Bureau
George Harris, Centralized Services
Dr Marty Zaluski, Animal Health
Dr Tahnee Szymanski, Animal Health
John Grainger, Brands Enforcement

Carol Olmstead, Meat Inspection Bureau
Dr Jeanne Rankin, Animal Health
Dr Bill Layton, Veterinary Diagnostic Lab
Dr Eric Liska, Animal Health

PUBLIC PRESENT:

Jerrold Weissman, Milk Control Board
Richard Kinkie, producer
Rachel Kinkie, producer
Bill Brewster, Cowboy Digest/Tri State Livestock
Debby Barrett, SD 36
Jim Durgan, Park Co. Commissioner
Mike Kleinsasser, Kingsbury Colony
David M. Hofer, Eagle Creek Colony
Joe Skinner, Gallatin County
Ruben Wurz, Big Stone Colony
Dee Ann Durgan, producer
Maren Olsen, Rep. Denny Rehberg Ofc.

Druska Kinkie, producer
Alan Redfield, producer
Dick Rath, MT Stockgrowers Assn (MSGA)

Peter Hofer, Springwater Colony
John Scully, producer
Watty Taylor, MSGA
Becky Frey, USDA APHIS VS
Charlene Rich, MT Beef Council
Ryan Clarke, APHIS VS
Tom Hogan, MSGA

Kelly Flynn, Producer
Ariel Overstreet, MSGA
Daniel E Wipf, Big Sky Colony
John J Wipf, New Rockport Colony
Elias P. Wipf, New Rockport Colony
Kraig Glazier, USDA Wildlife Services
Jack McRae, MT Wool Growers (MWGA)
Les Graham, MT Assn Livestock Auction
Markets/MT Farm Bureau
Larry Van Dyke, Milk Control Board
Errol Rice, MSGA
Julia Page, Bear Creek Council
Tucker Hughes, MSGA
Tom Linfield, USDA APHIS VS
Keith Bales, SD 20

CALL TO ORDER: 1:05 PM

ADMINISTRATIVE ITEMS

Board Communications:

Jan French, Hobson

- lots of ice, some snow on the ground, neighbors starting to calve , coming up to spring

Jeff Lewis, Corvallis

- things are good in Bitterroot, nice weather, milk prices have started going up

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Stan Boone, Ingomar

- quite a bit of snow and cold, hopefully some good moisture into the ground
- neighbor saw 2 wolves on his place recently, first seen in this country in a long time

Ed Waldner, Chester

- the cold finally broke, no H1N1 breakouts
- invited all to attend the annual Pork Producers meeting in Great Falls January 21

Brett DeBruycker, Dutton

- things are going well, temperature finally broke, general lack of moisture but cattle are looking good

John Lehfeldt, Lavina

- sheep in the state of Montana seem stable, the weather has changed
- attitudes are good

Minutes:

Brett DeBruycker moved to approve the November 2009 minutes as presented. John Lehfeldt seconded. The motion carried unanimously.

Interim Authorizations and Activities:

There were no interim activities.

Executive Officer Reports:

Brett DeBruycker moved to approve the executive officer report as presented. Ed Waldner seconded. The motion carried unanimously.

1:30 p.m. DIVISION REPORTS

Brands Enforcement, John Grainger

Local Inspectors Workman Comp Issue

- reviewed the recent worker comp issue in regards letter sent to deputy inspectors
- several meetings between John, Christian Mackay and Revenue personnel resulted in notice to rescind their letter probably until the next legislature
- in 1994 the Department of Labor issued an exemption letter covering all deputy inspectors but legislative changes since have led to this dilemma

There has been discussion out there of Chinook Market changing sale days, unofficial at this point, any change would have to go through board approval

Department investigation of the shooting of several calves has resulted in arrests in Cascade County.

Meat Inspection Bureau, Carol Olmstead

- USDA FSIS just issued the letter announcing Montana state program is "equal to"
- vacancy savings issues
 - her program requires inspectors in the plants daily
 - receiving requests for new plants, increased production, etc
 - has explained that with no inspector available (cannot hire) and their requests must be put on hold

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Milk & Egg Bureau, Dan Turcotte

Grading Plant (Shielding)

- things are moving ahead with the state/USDA partnership on the grading plant in Great Falls with proposed opening in the fall
- a meeting is scheduled in February with USDA to work out details
- a Milk & Egg inspector must be trained in Seattle for grading
 - USDA has in the past reimbursed the department of cost incurred for travel and training
 - request board authorization for out of state travel for Roy Hall to attend the March class
 - Roy would drive a state vehicle to save the expense of taxi or car rental
 - another inspector will need to be trained at a later date

Ed Waldner moved to authorize out of state travel for Roy Hall to attend the March grading class in Seattle. Jeff Lewis seconded. The motion carried unanimously.

Milk issues

Several cheese plants are producing or propose to produce naturally aged cheese

- our inspectors have found bacterial problems in at least one plant
- with this type of product on the increase inspection costs could potentially increase
- projected costs of \$8,000 for testing equipment and additional personnel

Out of state milk coming in to Costco

- pretty well worked out after a few phone calls the plant complied with Montana coding regulations

Issue of displacing class 1 milk with class 3

- discussion regarding cost to the pool caused by Country Classic bringing class 1 milk in to package and ship out (to Costco) as class 3
- questioned who is responsible for tracking class 1 milk coming into Montana and shipping out at class 3
- loophole allowing shipping out class 1 milk at class 3 to avoid paying class 1 prices to the pool

The board charged Christian Mackay to contact the Board of Milk Control chairman to set up a meeting of the Board of Livestock and Board of Milk Control concerning this issue.

Public Comments regarding shielding (grading plant)

- Montana Egg in Great Falls wants to put in the grading station
- approximately 85% of egg producers are involved through Montana Egg
- potentially 6 to 10 employees will be needed at the plant
- it will be a plus for Montana producers because they cannot negotiate agreements with the big stores (Walmart, Costco) without shielded eggs
- 300 to 400,000 chickens producing eggs in Montana now and that number could double with a local grading station
- currently Montana eggs must be shipped to Washington state for grading ([shielded]) then brought back to Costco, etc

Horse Racing, Ryan Sherman executive secretary

- Horse racing now has 3 legs: live horse racing, simulcast and alternative gaming providing an increase in funding

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- live racing in 2009 saw double digit increases in amounts wagered and attendance was up, allowing an increase in the payouts to Montana horse breeders
- alternative gaming includes Advance Deposit Wagering(ADW) and Fantasy Sports Wagering (FSW)
 - from ADW receipts \$29,000 went to the race tracks
 - FSW included NASCAR and NFL seasons
- Simulcast receipts for administrative fees were \$20,884
- 2010 racing schedule increased:
 - added one day to Miles City Bucking Horse
 - one day more in Great Falls
 - two days in Missoula (no running dates last year)

Public Information Office

Working on a variety of upcoming projects including

- Winter Fair in Lewistown
 - the board has been invited to do some education regarding the department
 - 9th of January at noon
 - several board members plan to attend
- Montana Equine Exposition in Bozeman - education & displays
- updating web page with links to partners and organizations
- rerecord readiness
 - developed a postcard to hand out at meetings
 - and for the website reminding producers to send in current addresses prior to rerecord
- Bison comments
 - approximately 50% of emails received on this issue are from fake email addresses that cannot be responded to
 - 80% are cut & paste (considered one comment) so will begin doing a boilerplate reply for those types of email
- Department birthday celebration in Miles City in July
 - met with the Historical Society and administrators have discussed participation
 - compiled a list of board chairman etc going back to the beginning

USDA Wildlife Services (Predator Damage Management), Craig Glazier

- USDA owned helicopter
 - six years since the crash with problem after problem
 - is now in Vancouver for repairs and should be back in two months
 - received \$83,000 from USDA for renting another machine to complete our busy time-arrangements are being made
- big ticket repair items last year and coming up this year
 - make it essential to cut back flying time due to lack of new or more funding
 - there has been-no increase in funding since 2000
- Wolves
 - 205 wolves killed last year

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- 24 wolves were killed by WS during the hunting season and 20 wolves since the end of hunting season

Centralized Services, George Harris

EPP Overview

- reviewed the Executive Planning Process and board responsibilities

Budget Status/State Special Revenue

- reviewed division budget status up to the end of November

Livestock Loss Reimbursement and Mitigation Board, George Edwards

- received notice from Senator Testor's office that federal funds are coming in March for the loss mitigation program
 - the rules are not written yet but feds decided to divide the funds seven ways (wolf states)
 - will get enough funds to get through this year

Recess 2:55 p.m.

Reconvene 3:15 p.m.

Diagnostic Laboratory, Dr Layton

Milk lab meeting

- Dan Turcotte and Dr Layton met January 6 to review procedures, policies and lab tests provided by MVDL milk laboratory including minimal testing required by USDA
- Until FDA gives direction or indication of need for more testing nothing new will be implemented

Action Item 1.10-1

Request for training for milk laboratory personnel

- request for board approval for lab employee Mary Ann Heagney (1/2 time in milk lab) to attend a course offered in Oklahoma City March 9 through 11 if there is an opening
 - to learn milk lab procedures and protocol
 - \$1,250 estimated total cost

Jeff Lewis moved to approve out of state travel for milk lab training as presented. Ed Waldner seconded. The motion carried unanimously.

Animal Health, Dr Marty Zaluski

Action Item 1.10-2

Draft official order for DSA Official Order No. 09-02-D

- The Brucellosis Action Plan ended on January 10 and continuing surveillance is needed to rapidly detect transmissions of brucellosis from wildlife should they occur.
- Recommend authorization to prevent a regulatory vacuum and avoid new testing requirements imposed by other states
- comments solicited since the last board meeting contributed to significant changes in the draft order
- The Department of Livestock received a letter from the Economic Affairs Interim Committee questioning our authority to issue the order. Our legal counsel

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assures us that we do have the authority. An official order can be changed with a stroke of the pen as opposed to administrative rules

Public Comment and Discussion:

Letter from Representative Vance

- delay of implementation until after the January 21 meeting of Economic Affairs Interim Committee

Druska Kenkie, producer

- read a letter of opposition to the proposed DSA Official Order

Dick Rath

- supports DSA on behalf of the MSGA
- developing process was very open
- the point being that the risk of brucellosis in the DSA is real
- an official order is a viable tool, easily modified as necessary

John Scully, producer Gallatin & Madison Counties

- appreciate the opportunity provided to submit ideas and comments
- question the length of on time testing exception
- agree an order is much better than a rule under Montana laws
- DOL has authority to examine the welfare and disease of livestock

Joe Skinner, Gallatin Co Commissioner

- producers in his county should not have to take on the added costs
- this problem is not going to get smaller, it will expand with elk moving out

Jim Durkin, County Commissioner for Park County

- concurs with Farm Bureau that BOL should not implement DSA for the reasons listed in Farm Bureau's letter
- DSA causing additional expense and hardship to producers in the area
- Debbie Barrett, Senator SD 36
- violates constitutional rights, does not address the problem, no MEPA compliance
- boundary is arbitrary and capricious
- 81-2-108 -diseased animals not to run at large, have diseased elk running at large

Dr Zaluski

- tested about 13,000 animals per month
- have run 230,000 tests since the loss of status

Allen Redfield, producer

- 230,000 tests no positives
- what about the elk, how many tested and how many positives?
- who's going to pay the bill, ship without testing or go out of business
- Suzanne Lewis plan is to expand the wildlife out of the Park (Yellowstone)

Druska Kenke

- producers are more than willing to comply with auction testing, electronic ID, etc, problem is designated area hurts producers in that area

Brett DeBruycker, board member, cattle producer he tested approximately 1,000 bulls this year and vaccinated all females, always have

Dr Zaluski

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- will not lose class free status unless positive brucellosis is discovered per federal requirements
- other states will require testing so we could end up with 13 or 14 standards from other states - possibly more stringent than our DSA
- other points:
 - MEPA -various attorneys consulted had no problem on this issue
 - DSA boundaries were established with collaboration with FWP to define DSA and that geography where we know infected elk exist
 - DOL has been paying compensation for lab and testing
 - split state status- the need is to prioritize and conduct testing in the area that is deemed most at risk
 - the order purposely does not indicate an end date, the annual review is intended to force looking at enlarging or making smaller etc
 - potentially could extend whole herd testing, completely flexible in regard to testing out
 - live testing or testing of elk is a great idea, discussed with FWP, good way to learn about elk disease
 - producers are welcome to come here (board meetings) to comment and appeal to the board, board is a great vehicle for resolving those issues

Stan Boone moved to adopt the DSA Official Order No. 09-02-D as presented. Ed Waldner seconded. The motion carried unanimously.

Action Item 1.10-3

Mandatory Brucellosis OCV, Dr Zaluski

- came up with a potential regulatory issue to support commerce to and out of the DSA area
- complies with Wyoming and Idaho mandatory OCV
- MSGA supports county wide OCV in the designated area

Public Comment:

Dick Raths, MSGA

- resolution went to Board of Directors following a very contentious meeting
- the final resolution was the decision of the Board of Directors
- certainly a disease management tool, statewide no, producers are doing a good job out of the DSA
- yes for DSA

Les Graham, MFB & MALAM

- Farm Bureau November resolution is in line with Jan's comment
- the market association is split on this issue

Brett DeBruycker moved to have an informational gathering period to March 30 with board members attending informational sessions at several of the auction markets. Stan Boone seconded. The motion carried unanimously.

Action Item 1.10-4

Official Order for Import Testing Requirements for Tuberculosis

Dr Zaluski explained that this is a revision of an original order with small changes in wording to clarify and standardize testing

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John Lehfeltdt moved to approve Official Order No 09-03-I regarding Tuberculosis as presented. Jeff Lewis seconded. The motion carried unanimously.

Action Item 1.10-5

Trichomoniasis Control Program Rules, Dr Rankin, assistant state veterinarian

- reviewed comments obtained during the extended comment period
- final adoption notice will be formatted with responses and filed with Secretary of State (ARM) following board approval

The board agreed that more producer education on this issue is essential and charged the Animal Health Division with providing a Trich education program.

John Lehfeltdt moved to approve the Trichomoniasis control program rule final notice to be filed as presented. Jeff Lewis seconded. The motion carried unanimously.

Dr Rankin explained that new rules regarding deputy veterinarians were filed in conjunction with the Trich rule. She requested board approval to file final notice of adoption with Secretary of State (ARM).

Ed Waldner moved to approve the Deputy Veterinarian rule to be filed as presented. Jeff Lewis seconded. The motion carried unanimously.

PRODUCER ORGANIZATION UPDATES

Beef Council, Charlene Rich, Executive Director

- provided the annual report
- \$84, 614 paid by contract to DOL for collection of Beef Council fees from producers
- the annual audit report was provided to Christian Mackay for disbursal to board
- invited all to attend the next Beef Council next Friday in Billings
- offered to provide an informational program to the current board regarding who and what Beef Council is

Montana Stock Growers Association, Ariel Overstreet

- 750 attended the annual MSGA meeting in December
- extended thank you to Dr Zaluski and Dr Rankin for speaking

PUBLIC COMMENT

ANNOUNCEMENT OF NEXT BOARD MEETINGS

MARCH	15 & 16, 2010
MAY	17 & 18, 2010
JULY	26 & 27, 2010

ADJOURNMENT 5:30 P.M.

EXECUTIVE SESSION TO FOLLOW - PERSONNEL ISSUES

Personal right to privacy exceeds public right to know.